

COUNTY OF YORK

MEMORANDUM

DATE: November 24, 2004 (BOS Mtg. 12/7/04)

TO: York County Board of Supervisors

FROM: James O. McReynolds, County Administrator

SUBJECT: Procurement of Enhanced 911 Telephone Equipment

In 1998, the County entered into a lease-purchase agreement for its Enhanced 911 (E911) telephone equipment. That equipment is now at the end of its useful life. It is important to procure a replacement system before the existing system actually reaches the end of its useful life to prevent the risk of system failure and to provide redundant systems during the transition from the existing E911 equipment to a new system. In addition, by replacing the E911 system now, the County will not have to incur the cost of moving the existing equipment from its current location to the new dispatch center only to replace it soon after moving it. Therefore, York County advertised on behalf of York and James City County for procurement of Customer Premise Equipment (CPE) to provide Enhanced 911 to be placed in each respective jurisdiction's Dispatch Center and to be compatible with the 800-MHz technology and telephone systems. Additionally, the procurement allowed for the additional operator positions that will be available in each communications center.

York County, acting as the fiscal agent for both counties, advertised the procurement and both jurisdictions evaluated the proposals received. The vendors offered a VESTA CPE system manufactured by Plant Equipment, Inc., which met our needs for equipment and software to integrate the radio and telephone system into the one computer system at each operator's position. The procurement also included a Motorola-certified digital logging recorder to record all telephone and radio system activity.

A joint team from York County and James City County reviewed the proposals and selected the Motorola proposal as the most responsive proposal. The decision was based on price and upon Motorola's ability to meet all certification and configurations required to be fully compatible with the radio system, to reduce maintenance disagreements between the CPE vendor and the radio system vendor, and to permit seamless upgrades to the operating system as service packs and network security improvements are released.

Construction on York County's new communications center will be completed and operational in January 2005. James City County will not be physically purchasing their Enhanced 911 telephone equipment until fiscal year 2006, but has agreed to enter into this agreement now due to the shared nature of some of the equipment. The James City County Board approved a resolution authorizing the execution of the contract with Motorola, and a cost-sharing agreement with York County, at their regular meeting held on November 23, 2004.

York County has historically procured its Enhanced 911 equipment through lease-purchase agreements and staff again recommends this approach. Lease-purchase allows us to fit the procurement into the current budget and the debt service payments on the lease-purchase have been considered when estimating long-term budget and financing needs of the County. After researching financing alternatives, staff recommends acquiring the equipment through a seven-year tax-free interest lease-purchase agreement with Motorola, with York County acting as the contracting party with Motorola, and James City County entering into a cost-sharing agreement with York County whereby James City County will reimburse York for James City's portion of the costs. This approach will result in overall lower costs for the equipment and the maintenance agreement. The lease-purchase agreement will have an annual interest rate of 4.28% and annual payments of \$514,266, due in arrears. This means that the first lease payment will not be due until approximately December 2005. The County's obligations under the agreement are subject to appropriations in future fiscal years, and will be part of the proposed FY06 Budget.

Details on the joint lease purchase proposal from Motorola are provided below:

Cost to York County	\$1,557,956
Cost to James City County	<u>1,508,649</u>
Total lease cost	<u>\$3,066,605</u>

I recommend adoption of Resolution R04-162 to authorize the purchase of Enhanced 911 equipment and the execution of a lease-purchase agreement for this procurement.

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Attachment:

Proposed Resolution R04-162